



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Partial:___ Complete: X Exploration:___

Inspection Date & Time: 9/29/99 2 to 4:30

Date of Last Inspection: 8/31/99

Mine Name: Horse Canyon Mine County: Carbon Permit Number: ACT/007/013^{x16}

Permittee and/or Operator's Name: UtahAmerican Energy, Inc.

Business Address P.O. Box 986 Price, Utah 84501

Type of Mining Activity: Underground X Surface___ Prep. Plant___ Other___

State Officials(s): Susan White and Ken Wyatt

Company Official(s): Paul Clark

Federal Official(s): None

Weather Conditions: Fair and cool

Existing Acreage: Permitted-71 Disturbed-63.6 Regraded-59 Seeded-59 Bonded-71

Increased/Decreased: Permitted-___ Disturbed-___ Regraded-___ Seeded-___ Bonded-___

Status: ___ Exploration/___ Active/___ Inactive/___ Temporary Cessation/___ Bond Forfeiture

Reclamation (40.9 Phase I/___ Phase II/___ Final Bond Release/___ Liability___ Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4th Quarter-April, May, June)_____(date)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT

(Continuation sheet)

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PERMIT NUMBER: ACT/007/013

DATE OF INSPECTION: 9/29/99

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permit to conduct reclamation activities was issued December 21, 1998, to UtahAmerican Energy, Inc. Box 139, 10799 Pinetree Road, Pepper Pike, Ohio 44124. The permit expires May 6, 2001.

The UPDES permit was renewed 5/1/98 with no changes to monitoring or discharge. The discharge monitoring reports still state the names of the old Operators. Mr. Marshall has requested that the names on the DMRs be changed.

The Operator has applied for Phase II bond release. An on site inspection was conducted July 28, 1999. 63.6 acres are disturbed. 40.9 are eligible for Phase II Bond Release.

2. SIGNS AND MARKERS

Permit entry signs were visible upon entry into the permit area.

4. HYDROLOGIC BALANCE:

a. DIVERSIONS - The new diversion below the facility area had been installed. The diversion appeared more as a trench than as a ditch. Dave Darby, hydrologist, will be consulted concerning the design.

b. SEDIMENT PONDS AND IMPOUNDMENTS - The second quarter pond inspections were conducted and certified by R. Jay Marshall on May 13, 1999. Both ponds were dry. Pond 1 is to be removed when Phase II bond is released.

d. WATER MONITORING - Second quarter water monitoring samples were taken June 22, 1999. HC-1, RF-1, and RS-1 reported flows, B-1 (also known as HC-2) was dry. During this inspection Ken Wyatt, Division Hydrologist, recorded GPS locations and photographs for each water monitoring site. The GPS unit was unable to record data for HC-1 at this visit.

e. EFFLUENT LIMITATIONS - UPDES monitoring was reported as required, no discharge was reported.

21. BONDING AND INSURANCE

The insurance certificate is issued by Federal Insurance Co. and National Union. The producer of the certificate is Reschini Agency Inc. The policy is effective 6/1/99 to 6/1/00.

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PERMIT NUMBER: ACT/007/013

DATE OF INSPECTION: 9/29/99

A reclamation performance bond is held by Lincoln General Insurance Company in the amount of \$1,137,726.

On February 5, 1997 the Division authorized Phase I bond release for the reclaimed portion of the site.

Copy of this Report:

Mailed to: OSM, William W. Engels (IPA), Paul Clark, Jay Marshall (UAE)

Given to: DOGM

Inspector's Signature: Susan M. White #35 Date: 9/30/99